



**U.S. Department of Justice**

*United States Attorney  
Eastern District of California*

*501 I Street, Suite 10-100  
Sacramento, California 95814*

*916/554-2700  
Fax 916/554-2900*

For Immediate Release  
November 14, 2001

**MODESTO MAN CONVICTED IN FRAUDULENT INVESTMENT SCHEME**

SACRAMENTO--United States Attorney John K. Vincent announced today that a Federal Jury in Sacramento returned a verdict finding defendant VELTON ROGERS, 69, of Modesto, California, guilty of mail fraud, wire fraud, and money laundering.

ROGERS was charged with promoting fraudulent high yield investment schemes, which he claimed would produce expected returns of up to 30-50% per month. Evidence at trial, however, showed that although he took in over one million dollars in investor funds, none of this money was ever sent to any legitimate high-yield investment program. To the contrary, ROGERS used at least a portion of this investor money to pay "returns" to old investors, in the form of a classic ponzi scheme. Furthermore, the evidence showed that ROGERS continued to recklessly promote these schemes even after he was put on notice by the FBI in October of 1998 that they were fraudulent. In returning guilty verdicts on the mail fraud, wire fraud and money laundering counts, the jury found that these investment programs were in fact fraudulent, and that ROGERS knew they were fraudulent at the time he was promoting them.

U.S. District Court Judge David F. Levi remanded ROGERS into custody immediately following trial, and set judgment and sentencing for February 7, 2002.

The case was prosecuted by Assistant United States Attorney James P. Arguelles, and was investigated by the Federal Bureau of Investigation and the Internal Revenue Service Criminal Investigation Division.